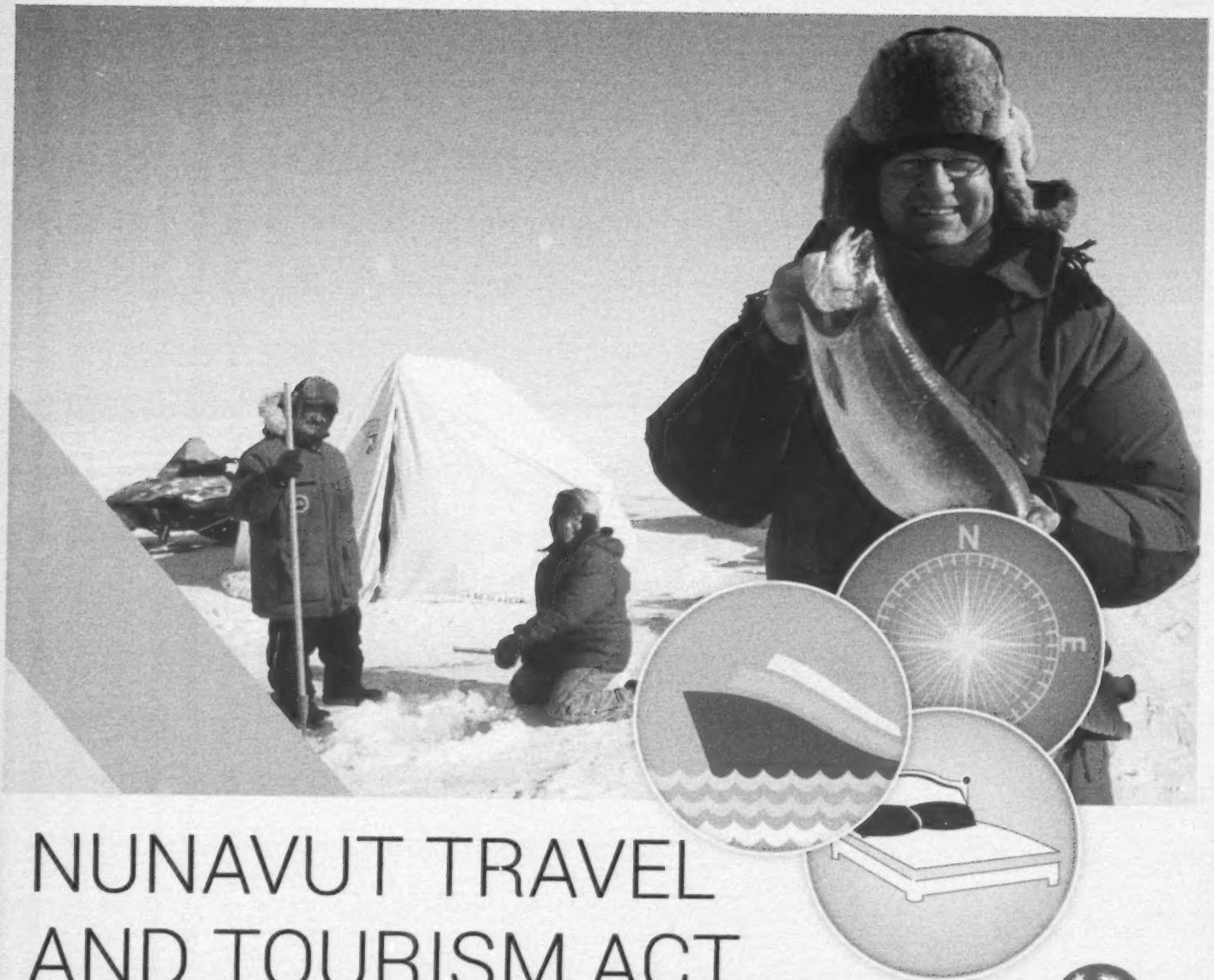

NUNAVUT TRAVEL AND TOURISM ACT

Consultation Report

Nunavut

Submitted to:
Tourism and Cultural Industries Division
Economic Development and Transportation
Government of Nunavut

Date: November 2015

Prepared by: Tait Communications and Consulting Inc.

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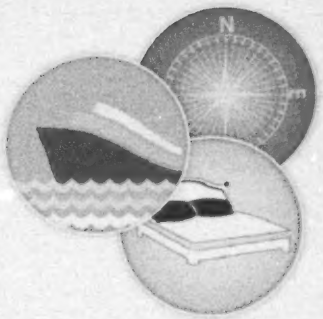


The Nunavut Travel and Tourism Act

Background

The Government of Nunavut (GN) is proposing updates to the *Travel and Tourism Act* (TTA) to reflect changes within the tourism sector in Nunavut. The proposed changes to the TTA:

- support the development and growth of Nunavut's tourism industry,
- promote quality services, and increase visitor satisfaction,
- protect tourist and public safety,
- maximize economic benefits of tourism,
- ensure tourism development aligns with local priorities,
- support Inuit societal values, and
- respect the processes, bodies and statutes that accompanied the creation of Nunavut.

Updating the TTA was one of the key pillars identified in *Tunngasaiji: A Tourism Strategy for Nunavummiut,* a strategy developed by Nunavut Tourism, Nunavut Tunngavik Inc. (NTI) and the Government of Nunavut (GN).

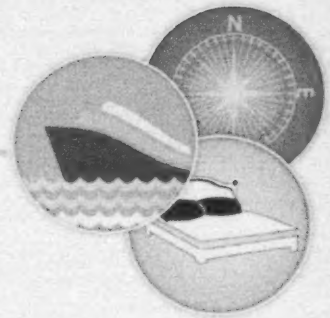
The current TTA, created in 1992, was inherited from the Government of the Northwest Territories when Nunavut became a territory. Some sections are no longer relevant. There are new tourism activities in Nunavut that are not recognized under the current laws and regulations. This is an opportunity to create 'made in Nunavut' legislation.

The consultation process

The GN Department of Economic Development and Transportation (EDT), along with Nunavut Tourism, consulted with stakeholders on the proposed changes to the TTA. The consultation included:

- community meetings in seven communities,
- three special meetings for industry and government stakeholders,
- an online survey, available in four languages,
- four web-based meetings, and
- individual conversations with stakeholders (community members, agency representatives, business owners).

Between September 23 and October 30, 2015 over 235 people participated in meetings, webinars and individual conversations and 53 people responded to the online survey. Youth and elders provided input throughout the consultation.



Community context

The consultations revealed several views about the industry, where it could go, and where specific opportunities for individuals, businesses, and organizations might be.

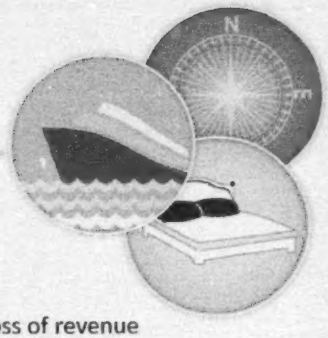
The following points identify issues related to tourism development at the community level, and may inform the development of the industry in general:

- Regulations and the capacity to monitor and enforce them.
- The tension between visitor culture and Inuit culture, practices and norms.
- Preservation and protection versus erosion of Inuit culture.
- Communities interested or currently active in tourism versus those who are not ready.
- The curiosity of young people who want to explore tourism as a learning or job opportunity versus the opportunity to do so.
- Private ownership is the most common approach used for tourism-related business development. While other options exist, these have not been developed in Nunavut.
- Communities that have under- or unused infrastructure regarding tourism opportunities (e.g. vacant buildings), versus a larger proportion of communities that clearly identified a lack of infrastructure (e.g. docks, public washrooms and facilities).
- Non-resident businesses benefit from tourism activities in a community rather than the community members themselves.

Industry context

Estimated in 2011, the value of Nunavut's tourism industry was approximately $40 million. These incoming revenues flow to various businesses, governments, individuals or not-for-profit entities such as:

- Community-based e.g. artists, guides, performers
- Private Nunavut businesses e.g. taxis, outfitters, galleries, restaurants
- Private non-Nunavut businesses e.g. insurance, southern tourism operators
- Social enterprise and non-profit organizations
- Accommodations (a range of ownership options)
- Designated Inuit Organizations e.g. airlines
- Government of Nunavut e.g. taxes, licensing, permitting fees



There are multiple ways to influence how much revenue stays in the territory and reduce loss of revenue to other jurisdictions.

Legislative and regulatory context

Within the legislative and regulatory context of the TTA, there are limits to what can be achieved. It is superseded by the Nunavut Land Claims Agreement. The TTA exists in conjunction with federal legislation as well as other Nunavut acts and regulations, including:

Legislation

- *Wildlife Act*
- *Environmental Protection Act*
- *Fire Prevention Act*
- *Workers Compensation Act*
- *Electrical Protection Act*
- *Territorial Lands Act*
- Various hamlet or city by-laws that require business licences
- Requirements for a lease or licence to use Inuit-owned land
- *Marine Liability Act*
- *Canada Shipping Act*
- *The Oceans Act*
- *Arctic Water Pollution Prevention Act*
- *Marine Transportation Security Act*
- *Coasting Trade Act*

General Business

- Canada Revenue Agency (CRA) – Business Numbers
- CRA – Payroll Program Accounts
- CRA – GST Number and Filing
- Workers Safety & Compensation Commission of NWT/Nunavut Registration
- Nunavut Legal Registries Compliance
- Liability Insurance
- Nunavut Tourism Membership

Tourism Operator

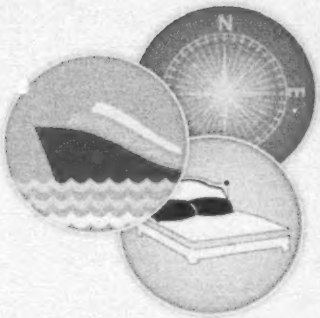
- Municipal Business Licenses
- Tourist Establishment License
- Outfitter's License
- GN – Hunting License
- RCMP – Firearms Licenses (Personal and Business)
- GN – Fishing License
- Land Access Permits
- GN – Archaeological and Paleontological Permits
- Environment Canada Wildlife & Bird Sanctuary Requirements

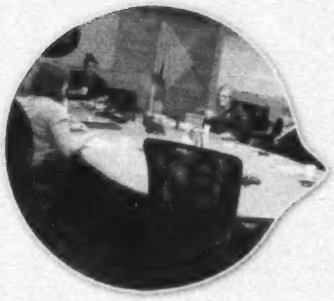
Boating

- Transport Canada – Small Vessel Operator Proficiency Certificates
- Transport Canada – Small Vessel Compliance Program

Parks Permits

- GN – Territorial Parks Permit
- GN – Firearms Permit
- Parks Canada – Business License and Guide Permit
- Parks Canada – Visitor Permit
- Parks Canada – Fishing License
- Parks Canada – Firearm Permit
- Parks Canada – Aircraft Access Permit





Tourist Accommodation

- GN – *Public Health Act* (Accommodation and Camps)
- Office of the Fire Marshal – Inspections
- Government of Nunavut Liquor Restrictions and Permits
- Land Access Permits

The TTA is one of many acts and regulations that influence the tourism industry. Reducing red tape would benefit business and help the industry grow. This will take a great deal of effort and co-operation by all jurisdictions with legislative, licensing and/or permitting responsibilities to simplify. The updated TTA will make every effort to create the framework to ease the regulatory process within its authority.

Consultation findings

The Travel and Tourism Act: In relation to other laws

The *Travel and Tourism Act* (TTA) is not stand alone legislation. It supports and is supported by other laws within Nunavut and, where applicable, Canada and international jurisdictions as well. EDT wanted to know if the changes proposed to the TTA should take these laws into account.

There was consensus that the Nunavut Land Claims Agreement (NLCA) is the foundational legislation for Nunavut. The NLCA *is* Nunavut and guides the GN in all things. *Inuit Qaujimajatuqangit* (IQ) is a GN policy that considers Inuit societal values in all aspects of the GN's work. Other Nunavut laws impact tourism activities in the territory and the TTA must work with these acts. There are also national and international standards to keep in mind.

The consultations revealed four agreements from participants that the TTA needs to respect existing laws, especially the NLCA, and the principles of IQ.

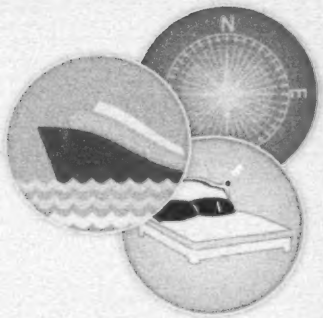
The proposed changes to the TTA should:

Agreement 1. align with the articles in the NLCA.

Agreement 2. follow the principles of Inuit Qaujimajatuqangit.

Agreement 3. align with Nunavut laws in order to simplify the legislation.

Agreement 4. where appropriate, align with national and international laws and standards. Sensitivity to the realities of communities, business operators and the Nunavut tourism industry will be considered.



Priorities for the TTA

Minimum standards of quality

The idea of setting minimum standards was met with a mix of support and hesitation. Many conversations turned toward implementation. There was concern about the current state of the Nunavut tourism industry and its unique realities. Supporters said that minimum standards would create assurances about the level of service available.

Recommendation 1. The TTA should allow for minimum standards and guidelines for the tourism industry.

Next steps:

1. A communications plan is encouraged to share more detailed information with stakeholders about:
    a. the criteria,
    b. the impacts, and
    c. the implementation plan.

2. Supporters identified training as necessary for the businesses and service providers to succeed.

Economic benefits

Economic benefits to communities were identified as the reason why the tourism industry exists in Nunavut. There was solid support for economic benefits to be a priority.

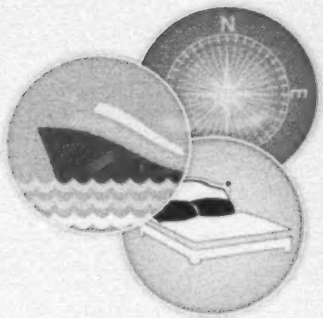
Recommendation 2. The TTA should be viewed within a framework for economic development that benefits communities.

Next Steps: Participants acknowledged that while legislation plays a role in supporting economic development of the industry, tourism partners are encouraged to identify ways of having more economic development benefits reach communities.

Growing the tourism industry

How the community envisions local tourism as an economic activity in the present and in the future is an important consideration for any increase in tourism. Some communities may not want to increase tourism or they may not want tourism at all. These positions should be respected.

Recommendation 3. The TTA should support growth in the tourism industry while respecting community priorities.



Next Steps:

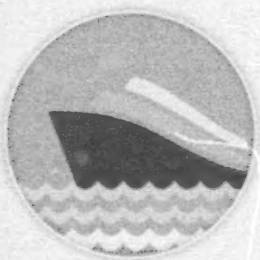
1. Governments, communities and tourism businesses would benefit from regular dialogue about ways to work together to achieve community economic development goals.
2. Based on this regular dialogue, government and industry stakeholders are encouraged to specify how community priorities are addressed in legislation and in their tourism activities.
3. Communities interested in growing tourism need to take steps to ensure community members understand how the industry works and develop ways to welcome and include visitors.

Safety

Safety is the top priority for the proposed changes to the TTA. Safety standards were expressed as absolutely necessary and supported without question in statements like "the legislation IS safety".

Recommendation 4. The TTA must set safety standards for visitors, tourism businesses, and the public, and have the ability to monitor and enforce them. These safety standards must consider community and territorial realities.

Next steps: Training for safety practices as well as for understanding safety requirements is necessary to support current operators and new businesses.



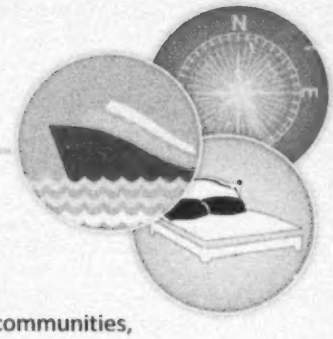
Marine tourism

The current TTA and its regulations do not cover marine tourism: cruise ships and private sailing vessels were not part of tourism in either the NWT or Nunavut at the time the legislation was created. There is a clear public demand for improved regulation of marine tourism.

Limiting the number of passengers

If the new legislation limits the number of passengers allowed to visit a community, it should be very general and support what the communities want. The communities should set the number for the limit, not the legislation.

Recommendation 5. The legislation should allow for the ability to limit the number of passengers that visit a community at one time.



Next steps: the GN will work with communities to set the limit and the visit schedule with communities, based on their tourism capacity and priorities.

Taxation

Communities and key stakeholders supported introducing a tax per passenger. There was hesitation from the cruise ship companies. Cruise ships are already heavily taxed and a new territorial tax would impact their profit margins. If a new tax is imposed, the taxation level should not hurt the overall marine tourism sub-sector. Several stakeholders stated the revenues from this kind of tax should not go into general revenues for the GN, but be set aside in a fund that can support and grow the tourism industry.

Recommendation 6. The TTA should allow for a tax on cruise ship passengers.

Next steps:

1. Taxation rates should be set with consideration to tax levels in other jurisdictions.
2. The revenues from the taxation should be reinvested into tourism development in Nunavut.

Code of conduct and welcoming visitors

Communities that receive cruise ships and cruise visitors agreed that educating visitors, before they arrive, would be beneficial for everyone. Visitors need to learn about Inuit culture and about what to expect in a community and how to interact with the community and the environment. Nunavummiut also identified the need for their communities to be more welcoming to visitors. Mutual learning would ensure that both the visitor and the community have a positive experience.

Recommendation 7. The TTA should allow for the establishment of a code of conduct for visitors to Nunavut particular to Inuit norms and values and visitor expectations.

Next steps: It became apparent that two-way education is required. Many comments were made about tourists not knowing what to do. At the same time, community members need to know about tourists and how to treat them.

Tourism operators

Tourism operators take visitors out on the land, on hikes, and bring them to some of Nunavut's cultural and environmental sites. These topics focus on land-based tourism activities guided by licensed outfitters and local guides.

Licensing

It is commonly accepted that outfitters require a licence. However, there are difficulties around obtaining and/or maintaining the licence due to the required paperwork. The process was described as:

- complicated,
- overwhelming,
- onerous,
- redundant,
- intimidating,
- discouraging, and
- a barrier to business entry.

The proposal of guides needing a licence in the future was considered another barrier to the industry.

Recommendation 8. The TTA should simplify and reduce barriers in the licensing process.

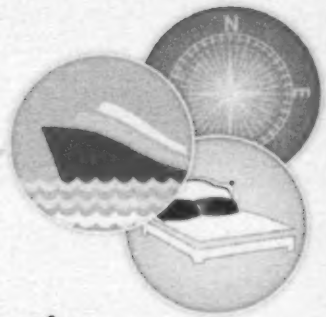
Next Steps: EDT should work with administrators of tourism-related federal and territorial acts and regulations to simplify administrative processes.

Training

Specific training topics for guides included:

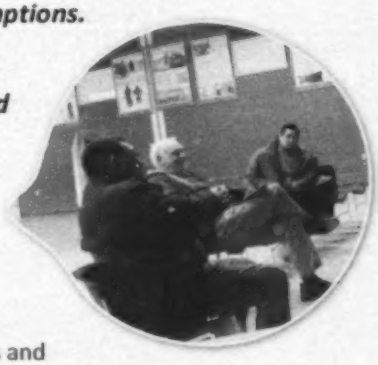
- First aid training
- Firearms safety training
- Specialized certifications for specific activities
- Training exemptions if the skills can be demonstrated

Training requirements to increase safety and enhance visitor confidence in services were generally supported. There were many concerns about implementation.



Recommendation 9. A. The TTA should legislate basic certification to meet safety standards that allow for recognition of equivalencies and exemptions.

Recommendation 9. B. The TTA should allow for the minister to articulate a process to recognize and designate exemptions and equivalencies through the NLCA.



Next steps:

1. Training needs include:
   a. Basic levels of safety training legislated for guides.
   b. Firearms safety training is a national standard. Changes in training requirements need to be phased in gradually to allow time for guides and outfitters to meet the new standard.
   c. Specialized certifications but making these mandatory is not necessarily a priority for outfitters.
   d. Recognition of traditional knowledge which allows for training exemptions.

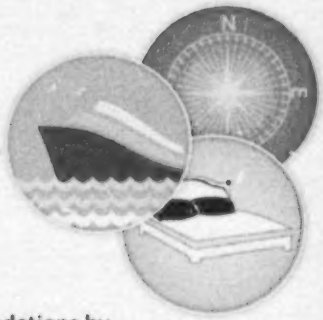
2. Communication about the implementation of training requirements will be needed. Stakeholders and operators also need to benefit from a grandfather period. Stakeholders wanted to know they would be supported as they work toward these new training standards.

Tourist accommodations

Tourism accommodations are hotels, bed and breakfasts, lodges, tent camps and other places that provide visitors with a place to sleep for a set price.

Rating system

The overall response to a proposal to introduce a new rating system was hesitant. Some accommodation managers liked the idea of setting a realistic expectation for visitors about the amenities and services available. However, using the internationally-recognized star system would disadvantage the local sub-sector as establishments would never be able to meet those standards.



Several participants (independent of each other) proposed a different way to rate accommodations by their title (hotel, B&B, etc.). If an accommodation meets the industry definition then that title goes in the name of the business.

Recommendation 10. There is no support for further regulation in this area. However, industry could develop descriptors that accurately reflect the realities of accommodation in Nunavut.

Next Steps: Government and industry could work together on options for more accurately portraying tourist accommodation to visitors who are not familiar with Nunavut's accommodations options.

Emergency preparedness

Managers and owners of accommodations stated that their businesses are already heavily standardized: fire safety, cleanliness, insurance, etc. More standards would likely be redundant and make more work.

Regarding emergency preparedness for remote accommodations, this was equated as a safety standard. There was overall agreement that all points presented (first aid, food supplies, reliable communication equipment) were necessary for tourist and business safety.

Recommendation 11. There is no support for further regulation in this area, with the exception of emergency preparedness for remote accommodations.

Next Steps: In revising the TTA, the GN needs to exercise care to include only aspects not already covered by territorial and federal regulations.

Insurance

The requirement for public liability insurance for tourist establishment operators should remain under the TTA.

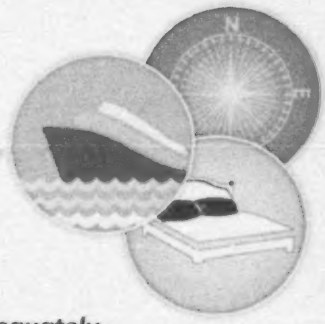
Recommendation 12. The TTA should retain the current regulatory requirements for public liability insurance.

Next Steps: Regulations about public liability insurance would be included in an updated Act.

General provisions

Consequences and enforcement

All stakeholders supported consequences, but cautioned that the punishment should depend upon the severity of the offense. Consequences will ensure the legislation is effective and respected. The topic of enforcement raised many questions and comments around implementation and the challenges to do so.



Recommendation 13. The TTA should be appropriately structured and adequately resourced to allow for monitoring and enforcement.

Next steps: To address the many concerns raised around capacity to monitor activities and enforce consequences for offences, EDT will need to develop an enforcement plan that includes:

1. further consultation with key stakeholders (Justice, Environment),
2. a communication effort around enforcement, and
3. training for those doing the enforcement.

As part of a larger industry communication plan, tourism stakeholders will need information about how the new enforcement will impact their tourism businesses, activities and services.

Data collection

Participants generally understood the importance of the need for data. They also expressed concern about overburdening small operators with more paperwork. Paperwork is especially difficult if an operator is unilingual.

Recommendation 14. The TTA should legislate that data be collected about tourism in Nunavut and be used to understand the current state and potential growth of the industry.

Next steps:

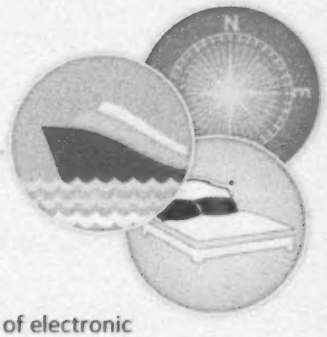
1. Regulations and policies around data collection need to recognize local capacity issues and resource limitations. There are already profound challenges to collecting data. Current methods do not provide a complete or accurate picture of the industry.

2. For implementation, a simple process was actively encouraged. For example, a process that puts the onus on the visitor rather than the operator (e.g. fill out a card after an activity) might work. Suggestions were made to encourage operators to collect data (e.g. waive NT membership fee) rather than punish operators for not taking part (e.g. data collecting as a licensing requirement).

Technology

There were requests that the TTA include a provision about technology used by tourists in the present and any equivalent technologies in the future, for example, drone cameras and transponders on marine vessels.

Recommendation 15. The TTA should account for the use of and implications of advanced technology such as, but not limited to, the use of drones, transponders, and other devices.



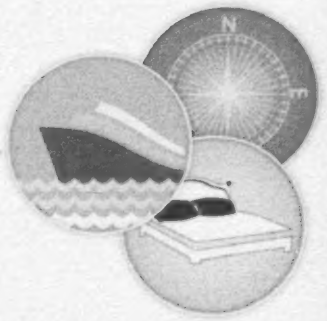
Next Steps: Throughout the updating process, the TTA needs to consider regulating the use of electronic devices and supporting opportunities for monitoring and enforcement with respect to technological advances.

Closing feedback

People who participated in the TTA consultations appreciated having the opportunity to speak and to be heard.

- This is where we realize that Nunavut is a small community and this is where we can have an impact on the legislation by making sure that when it is drafted we expect to be heard. It's a small community so the Government of Nunavut should listen to those concerns. [NT members]
- The community member is happy that he is being consulted and he has the opportunity to hear the concerns of the community. The participant is glad for this opportunity to bring forward these concerns and hopes these concerns are well taken coming from the community and that they are used to improve the situation in the community. [Pond Inlet]

To show appreciation for their participation, people who attended community meetings and webinars, and/or responded to the online survey had their name entered in a draw for the chance to win an iPad. The winner was Samuel Arreak from Pond Inlet.



Next steps

Once the new legislation is drafted, there will be additional review processes within the Government of Nunavut before the legislation is finalized. EDT will seek input on the timing and implementation of various provisions. EDT will also need to develop and integrate regulations with the program and policy directions outlined in *Tunngasaiji: A Tourism Strategy for Nunavummiut*.

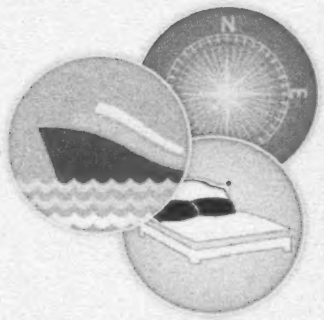
Three steps are essential to implementing the legislation:

1. Adequately **monitoring and enforcing the TTA and its regulations.**
2. **One point of contact** for tourism businesses for their licensing needs. This contact would reduce red-tape and duplication in the licencing process. The process currently embodies three levels of government as well as several GN departments, and multiple acts and regulations.
3. Clarifying **the roles and relationships** of all the industry stakeholders: GN, Nunavut Tourism, the federal government, tourism businesses, hamlets and community members.

Complementing legislative changes, the consultation identified the following actions as essential to moving the industry forward:

4. **Capacity building and communication strategies** to complement the implementation phase of the legislation. This could include a senior leadership forum as well as operational committees comprised of government officials and tourism. They would talk about common goals and the policies and protocols that would help move tourism development forward.
5. Designing and implementing a comprehensive **tourism industry learning plan** to:
    - Develop better understanding about tourism in general for community-based economic development, youth engagement and stakeholder buy in,
    - Enable the industry to meet the standards set under the TTA,
    - Help stakeholders prepare for and advance within the tourism industry , and
    - Foster employment, economic, and workforce development in Nunavut.
6. **A results-oriented approach** that develops a plan and allocates resources to address barriers to the development of the tourism industry. Funding for training, subsidies for insurance and equipment, incentives to become licensed and to gather data would be evaluated in terms of their impacts on growth.

Ultimately, an updated TTA that can foster a vibrant and growing tourism industry sector in Nunavut will benefit all stakeholders, including Nunavummiut.



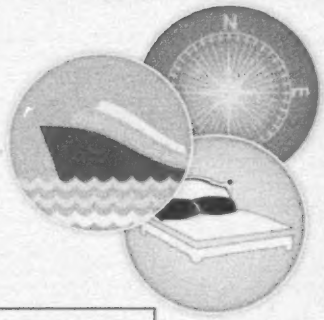
Appendix A: Summary of agreements and recommendations

A summary of the agreements for the act are as follows:

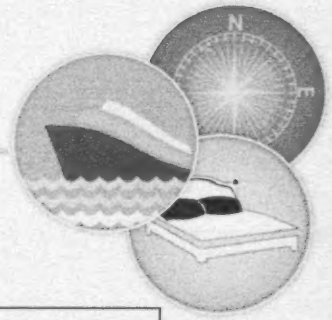
Topic	Agreement
General Legislation	
NLCA	1. The proposed changes to the TTA should align with the articles in the NLCA.
Inuit societal values	2. The proposed changes to the TTA should follow the principles of *Inuit Qaujimajatuqangit*.
Existing Nunavut legislation	3. The proposed changes to the TTA should align with Nunavut laws in order to simplify the legislation.
Standards in other jurisdictions	4. The proposed changes to the TTA should align, where appropriate, with national and international laws and standards. Sensitivity to the realities of communities, business operators and the Nunavut tourism industry will be considered.

A summary of the recommendations for the TTA are as follows:

Topic	Recommendation
Tourism Industry Priorities	
Minimum standards for the tourism industry	1. The TTA should allow for minimum standards and guidelines for the tourism industry.
Economic benefit	2. The TTA should be viewed within a framework for economic development that benefits communities.
Support tourism growth	3. The TTA should support growth in the tourism industry while respecting community priorities.



Safety	4. The TTA must set safety standards for visitors, tourism businesses, and the public, and have the ability to monitor and enforce them. These safety standards must consider community and territorial realities.
Marine Tourism	
Limiting the number of cruise ship visitors	5. The TTA should allow for the ability to limit the number of passengers that visit a community at one time.
Taxation	6. The TTA should allow for a tax on cruise ship passengers. The revenues from the taxation should be reinvested into tourism development in Nunavut.
Code of conduct	7. The TTA should allow for the establishment of a code of conduct for visitors to Nunavut particular to Inuit norms and values and visitor expectations.
Tourism Operators	
Licensing	8. The TTA should streamline and reduce barriers in the licensing process.
Training	9. A. The TTA should legislate basic certification to meet safety standards that allow for recognition of equivalencies and exemptions. 9. B. The TTA should allow for the minister to articulate a process to recognize and designate exemptions and equivalencies through the NLCA.
Tourist Accommodations	
Rating system	10. There is no support for further regulation in this area. However, industry could develop descriptors that accurately reflect the realities of accommodation in Nunavut.
Emergency preparedness	11. There is no support for further regulation in this area, with the exception of emergency preparedness for remote accommodations.



Insurance	12. The TTA should retain the current regulatory requirements for public liability insurance.
General provisions	
Consequences and enforcement	13. The TTA should be appropriately structured and adequately resourced to allow for monitoring and enforcement.
Data collection	14. The TTA should legislate that data be collected about the tourism industry in Nunavut and be used to understand the current state and potential growth of the industry.
Technology	15. The TTA should account for the use of and implications of advanced technology such as, but not limited to, the use of drones, transponders, and other devices.